

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02510A

BOYNTON CANYON ENCHANTMENT HOMEOWNERS ASSOCIATION

505 BOYNTON CANYON RD.

SEDONA, AZ 86336

RECEIVED

APR 11 2011

ACC UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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4-25-11

COMPANY INFORMATION

Company Name (Business Name) <u>BOYNTON CANYON ENCHANTMENT HOMEOWNERS ASSOCIATION</u> <u>WATER UTILITY COMPANY</u>		
Mailing Address <u>525 BOYNTON CANYON ROAD</u> (Street)		
<u>SEDONA</u> (City)	<u>AZ</u> (State)	<u>86336</u> (Zip)
<u>928-204-6264</u> Telephone No. (Include Area Code)	<u>928-204-2936</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>SKnight@enchantmentresort.com</u>		
Local Office Mailing Address <u>SAME AS ABOVE</u> (Street)		
 (City)	 (State)	 (Zip)
 Local Office Telephone No. (Include Area Code)	 Fax No. (Include Area Code)	 Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

<input type="checkbox"/> Regulatory Contact:		
<input checked="" type="checkbox"/> Management Contact: <u>SUSANNE KNIGHT</u> <u>HOA MANAGER</u> (Name) (Title)		
<u>525 BOYNTON CANYON ROAD</u> (Street)	<u>SEDONA</u> (City)	<u>AZ</u> <u>86336</u> (State) (Zip)
<u>928-204-6264</u> Telephone No. (Include Area Code)	<u>928-204-2936</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>SKnight@enchantmentresort.com</u>		
On Site Manager: <u>Jim Johnson</u> (Name)		
<u>525 BOYNTON CANYON ROAD</u> (Street)	<u>SEDONA</u> (City)	<u>AZ</u> <u>86336</u> (State) (Zip)
<u>928-282-2900</u> Telephone No. (Include Area Code)	<u>928-204-2936</u> Fax No. (Include Area Code)	<u>N/A</u> Cell No. (Include Area Code)
Email Address <u>UJohnson@enchantmentresort.com</u>		

Statutory Agent: MARK GRENOBLE

(Name)

525 BOYNTON CANYON ROAD

(Street)

SEDONA

(City)

AZ

(State)

86336

(Zip)

928-204-6264

Telephone No. (Include Area Code)

928-204-2936

Fax No. (Include Area Code)

N/A

Cell No. (Include Area Code)

Attorney: _____

(Name)

(Street)_____
(City)_____
(State)_____
(Zip)

Telephone No. (Include Area Code)_____
Fax No. (Include Area Code)_____
Cell No. (Include Area Code)

Email Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☐ Sole Proprietor (S)

☐ C Corporation (C) (Other than Association/Co-op)

☐ Partnership (P)

☐ Subchapter S Corporation (Z)

☐ Bankruptcy (B)

☒ Association/Co-op (A)

☐ Receivership (R)

☐ Limited Liability Company

☐ Other (Describe) _____

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE

☐ COCHISE

☐ COCONINO

☐ GILA

☐ GRAHAM

☐ GREENLEE

☐ LA PAZ

☐ MARICOPA

☐ MOHAVE

☐ NAVAJO

☐ PIMA

☐ PINAL

☐ SANTA CRUZ

☒ YAVAPAI

☐ YUMA

☐ STATEWIDE

COMPANY NAME **BOYNTON CANYON ENCHANTMENT HOMEOWNERS ASSOCIATION**

(BCEHA) WATER UTILITY CO.

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	96,969.49	69,099.00	36,870.49
311	Pumping Equipment	56,399.24	44,181.36	12,217.88
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	114,173 -	114,173 -	0
333	Services			
334	Meters and Meter Installations			
335	Hydrants	4,844.04	2,475.88	2,368.16
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	272,385.77	220,929.24	51,456.53

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

BCE HOA WATER UTILITY CO.

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	6,801.66 90,167.74	0% 4.877600%	4415.74
311	Pumping Equipment	56,399.24	5.90153%	3328.42
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains	114,173.00	8.33333%	2,379.01
333	Services			
334	Meters and Meter Installations			
335	Hydrants	4,844.04	6.66674 %	322.94
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	272,385.68	6.45464 %	10,446.61

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME PCEHOA WATER UTILITY COMPANY

BALANCE SHEET

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 59,736.78	\$ 77,702.07
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 10,503.02	\$ 12,462.54
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 70,239.80	\$ 90,164.61
	FIXED ASSETS		
101	Utility Plant in Service	\$ 272,385.77	\$ 272,385.77
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	\$ 210,483.13	220,929.24
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 79,484.16	\$ 51,456.53
	TOTAL ASSETS	\$ 132,142.44	\$ 141,621.14

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$ 48.59	\$ 72.47
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies	4,802.01	5,474.52
235	Customer Deposits		
236	Accrued Taxes	654.61	864.88
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 5,505.21	\$ 6,411.87
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 29,298.36	\$ 2,356.35
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 34,803.57	\$ 8,768.22
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 97,338.87	\$ 132,852.32
	TOTAL LIABILITIES AND CAPITAL	\$ 132,142.44	\$ 141,621.14

COMPANY NAME BCE HOA WATER UTILITY COMPANY

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 178,562.30	\$ 189,692.06
460	Unmetered Water Revenue		
474	Other Water Revenues	74.33	88.33
	TOTAL REVENUES	\$ 178,636.53	\$ 189,780.39
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 16,286.89	\$ 20,393.05
610	Purchased Water		
615	Purchased Power	672.66	768.37
618	Chemicals		
620	Repairs and Maintenance	45,750.58	54,074.69
621	Office Supplies and Expense	1,842.22	1,649.72
630	Outside Services	35,000.73	7,599.41
635	Water Testing	509.57	
641	Rents		
650	Transportation Expenses	1932.15	2,281.85
657	Insurance – General Liability	7,835.43	8,313.35
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense		
403	Depreciation Expense	17,581.52	10,466.11
408	Taxes Other Than Income		
408.11	Property Taxes		
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 127,411.72	\$ 100,528.55
	OPERATING INCOME/(LOSS)	\$ 51,224.80	\$ 84,251.84
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 13.71	\$ 16.76
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses	<46,017.00>	<47,628>
427	Interest Expense	<2,821.06>	<1,107.79>
	TOTAL OTHER INCOME/(EXPENSE)	\$ <48,824.35>	\$ <46,518.21>
	NET INCOME/(LOSS)	\$ 2,400.46	\$ 35,614.05

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	1/22/04			
Source of Loan	CHASE			
ACC Decision No.	N/A			
Reason for Loan	WELL			
Dollar Amount Issued	\$ 152,479.00	\$	\$	\$
Amount Outstanding	\$ 2,356.35	\$	\$	\$
Date of Maturity	2/1/2011			
Interest Rate	6.5 %	%	%	%
Current Year Interest	\$ 1,109.79	\$	\$	\$
Current Year Principle	\$ 26,942.01	\$	\$	\$

Meter Deposit Balance at Test Year End\$

Meter Deposits Refunded During the Test Year\$

COMPANY NAME <u>BOYNTON CANYON ENCHANTMENT HOA WATER UTILITY COMPANY</u>	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-545341	830	75-80 gpm	1060'	8"	2"	94
55-600175	10	30-40 gpm	852	6"	2"	84

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5HP	1	14	1

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
100,000 GALLONS	2 TANKS	N/A	

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME BOYNTON CANYON ENCHANTMENT HOA WATER UTILITY CO.	
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS			CUSTOMER METERS	
Size (in inches)	Material	Length (in feet)	Size (in inches)	Quantity
2	PVC	575	5/8 X 3/4	76
3	PVC	1635	3/4	
4			1	6
5			1 1/2	16
6	PVC	7966	2	1
8	PVC	1816	Comp. 3	2
10			Turbo 3	
12			Comp. 4	
			Turbo 4	
			Comp. 6	
			Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

STRUCTURES:

OTHER:

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME: <u>BCE HOA WATER UTILITY COMPANY</u>	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	101	1,002,090	1,002,090	0
FEBRUARY	101	1,011,540	1,011,540	0
MARCH	101	1,499,130	1,499,130	0
APRIL	101	1,499,130	1,499,130	0
MAY	101	1,971,210	1,971,210	0
JUNE	101	1,779,860	1,779,860	0
JULY	101	1,929,240	1,929,240	30,000
AUGUST	101	2,029,030	2,029,030	0
SEPTEMBER	101	1,980,380	1,980,380	0
OCTOBER	101	1,965,110	1,965,110	0
NOVEMBER	101	1,605,530	1,605,530	0
DECEMBER	101	1,674,410	1,674,410	0
TOTALS →		20,440,330	20,440,330	30,000

What is the level of arsenic for each well on your system? 0.0045 mg/l
(If more than one well, please list each separately.)

If system has fire hydrants, what is the fire flow requirement? 1000 GPM for 2 hrs MIN
AT MINIMUM 20 PSI PER

If system has chlorination treatment, does this treatment system chlorinate continuously?
() Yes (X) No

Is the Water Utility located in an ADWR Active Management Area (AMA)?
() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?
() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: BCE HOA WATER UTILITY CO.	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH		Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY		NONE	NONE	
FEBRUARY		NONE	NONE	
MARCH		NONE	NONE	
APRIL		NONE	NONE	
MAY		NONE	NONE	
JUNE		NONE	NONE	
JULY		NONE	NONE	
AUGUST		NONE	NONE	
SEPTEMBER		NONE	NONE	
OCTOBER		NONE	NONE	
NOVEMBER		NONE	NONE	
DECEMBER		NONE	NONE	
TOTALS →				

OTHER (description):

COMPANY NAME BCE HOA WATER UTILITY COMPANY YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 0

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. All property Taxes are paid by the Baynton Canyon Enchantment HOA. Because the Water Company is not its own Entity. The Association holds a Certificate of Public Convenience and Necessity from the Arizona Corporation Commission. Authorizing it to operate as a Water Utility Company.

**VERIFICATION
AND
SWORN STATEMENT**
Taxes

RECEIVED
APR 16 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI COUNTY</u>
NAME (OWNER OR OFFICIAL) TITLE <u>SUSANNE KNIGHT / MANAGER</u>
COMPANY NAME <u>BCE HOA WATER UTILITY COMPANY</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

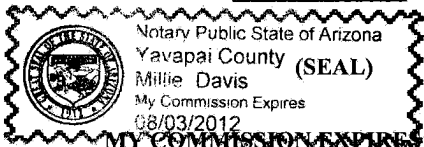
Susanne Knight
SIGNATURE OF OWNER OR OFFICIAL
928-204-6264
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15 DAY OF

COUNTY NAME <u>Yavapai</u>
MONTH <u>APRIL</u> <u>2011</u>



MY COMMISSION EXPIRES

08-03-2012

Millie Davis
SIGNATURE OF NOTARY PUBLIC

COMPANY NAME BCEHOA WATER UTILITY COMPANY YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported N/A
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported N/A
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year’s annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Susanne Knight
SIGNATURE

4-16-10
DATE

SUSANNE KNIGHT
PRINTED NAME

MANAGER
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
7/28/2011
ACCUTILITIES DIRECTOR

VERIFICATION

STATE OF _____
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) YAVAPAI
NAME (OWNER OR OFFICIAL) TITLE SUSANNE KNIGHT / MANAGER
COMPANY NAME BCE HOA WATER UTILITY COMPANY

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH 12	DAY 31	YEAR 2010
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 142,047.30

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 10,031.18
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

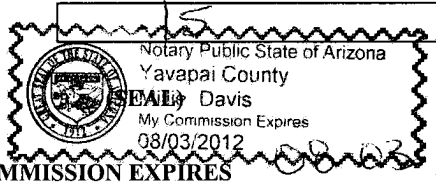
Susanne Knight
SIGNATURE OF OWNER OR OFFICIAL
928-204-6264
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS _____ **DAY OF**

COUNTY NAME YAVAPAI	
MONTH APRIL	YEAR 2011



MY COMMISSION EXPIRES 08/03/2012

Michelle Davis
SIGNATURE OF NOTARY PUBLIC

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED
APR 15 2011
ACCUUTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>YAVAPAI COUNTY</u>	
NAME (OWNER OR OFFICIAL) <u>SUSANNE KNIGHT / MANAGER</u>	TITLE <u>MANAGER</u>
COMPANY NAME	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>13,800.97</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 986.74
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.**

Susanne Knight
SIGNATURE OF OWNER OR OFFICIAL

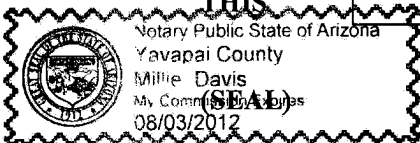
928-204-6264
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

NOTARY PUBLIC NAME <u>MILLIE DAVIS</u>	
COUNTY NAME <u>YAVAPAI</u>	
MONTH <u>APRIL</u>	.20 <u>11</u>

THIS 15 **DAY OF**



MY COMMISSION EXPIRES 08-03-2012

Millie Davis
SIGNATURE OF NOTARY PUBLIC